

Final Water Pollution Control State Revolving Fund Intended Use Plan and Project Priority List

State Fiscal Year 2009

MONTANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Planning, Prevention and Assistance Division
Water Pollution Control State Revolving Fund
1520 East Sixth Avenue
PO Box 200901
Helena MT 59620-0901
Phone: (406) 444-6697
Fax: (406) 444-6836
Website: www.deq.mt.gov



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**MONTANA
WATER POLLUTION CONTROL STATE REVOLVING FUND
SFY 2009 INTENDED USE PLAN**

I. INTRODUCTION

The State of Montana proposes to adopt the following Intended Use Plan (IUP) for state fiscal year 2009 as required under Section 606 of the Clean Water Act.

The primary purpose of the IUP is to identify the proposed annual intended use of the federal and state funds available to the Montana Water Pollution Control State Revolving Fund (WPCSRF). Federal dollars appropriated in one year are available for use in the next year (i.e. the FFY 2008 appropriation is available in FFY 2009). The State match will be raised through the sale of general obligation bonds as the need for funds arises. The draft IUP will be reviewed by the public and the final version will reflect the results of this review.

The IUP includes the following:

- I. Introduction
- II. List of Projects
- III. Order of Funding
- IV. Uses of the Revolving Fund
- V. Goals and Objectives
- VI. Activities to be Supported
- VII. Assurances and Specific Proposals
- VIII. Criteria and Method for Distribution of Funds
- IX. Subsidies to Disadvantaged Communities
- X. Public Comment, Amending IUP, State Commitment of Funds

II. LIST OF PROJECTS

The WPCSRF program is intended to provide low interest loans for the planning, design and construction of water pollution control projects. A complete list of any and all eligible projects that are considered possible candidates for assistance from the WPCSRF program at this time can be found in **Attachment 1**, the Project Priority List (PPL).

Those projects with proposed binding commitment dates occurring within the next two upcoming state fiscal years are considered active and viable projects. A binding commitment will be in the form of a written agreement between the State of Montana and a borrower describing the project and indicating the amount of the loan and the time at which the funds will be made available. The binding commitment obligates the State to make the loan and the borrower to receive the proceeds and repay, as per specified terms.

III. ORDER OF FUNDING

WPCSRF funds will be administered on a first-come, first-served basis. As demand for the money increases, the following factors will be considered when the project is ranked by the State:

1. Need for and benefit to be derived by the project as determined by the annual project priority list. In FFY 1999 Montana developed and implemented a new watershed approach project priority list ranking system. In SFY 2002, Montana made a few modifications to the ranking system. Changes were made to the activity-specific category, and the available points in the readiness category were doubled. This will allow projects that are ready for construction to move higher on the list.

The ranking criteria were modified in SFY2006. The criteria and number of points assigned to a proposed project for its effectiveness in improving water quality have been changed to simplify the ranking process and to provide a level of consistency. Beneficial uses, for which water quality standards and TMDLs are based, are still considered in the ranking process. Additional criteria were added to the 'Activity-Specific' section pertaining to non-point source projects in an effort to better break down the individual water quality

benefits associated with the proposed project. In an effort to direct more SRF funds toward projects that effectively improve water quality, 25 additional priority points have been added to projects designed to meet watershed TMDLs. Also, points assigned toward refinancing existing long-term debt have been limited to 10 total points per project in an effort to direct more funds toward active projects that provide direct benefit to water quality.

2. Ability of the municipality or private concern to finance the project, with and without loan assistance (See Section IX).
3. Amount of financial assistance available from the revolving fund and the cumulative amount of funds requested by other applicants.

IV. USES OF THE WATER POLLUTION CONTROL STATE REVOLVING FUND

The WPCSRF may be used to:

1. Provide low interest loans to municipalities for wastewater treatment systems, new interceptors, collectors, and appurtenances, infiltration/inflow correction, sewer system rehabilitation, correction of combined sewer overflows, and construction of new storm sewers and detention basins. The low interest loans can be made for up to 100 percent of the total project cost. As of the beginning of FY09, approximately \$248.3 million in loans have been made to communities in Montana. Each of these loans has had a total loan interest rate of 4% or less. Program interest rates will be evaluated and set annually;
2. Refinance qualifying debt obligations for water pollution control facilities if the debt was incurred and construction initiated after March 7, 1985. As of the beginning of FY09 approximately \$11.9 million of debt has been refinanced through this program;
3. Guarantee or purchase insurance for local debt obligations. As of the beginning of FY09, no loans have been made for this purpose;
4. Provide a source of revenue or security for general obligation bonds, the proceeds of which are deposited in the revolving fund. There is a 1% loan loss reserve surcharge included as part of the 3.75% interest rate for loans not qualifying for a hardship. The use of the surcharge is to pay principal and interest on state G.O. Bonds if the Debt Service Account is insufficient to make payments. This is to secure \$25.49 million in State General Obligation Bonds. The excess over the required reserve has periodically been transferred to the principal account to make loans. In FY09 it is anticipated that approximately \$1 million in excess loan loss reserve funds will be transferred to the principal account.
5. Provide loan guarantees for similar revolving funds established by municipalities. As of the beginning of FY09, no loans have been made for this purpose;
6. Finance non-point source pollution control (Section 319) implementation projects or programs. As of the beginning of FY09, approximately \$38.12 million has been loaned out for these types of projects;
7. Earn interest on program fund accounts. At the beginning of FY09, cash flow analysis demonstrates this program will continue to be a strong source of loan funds after the federal grants are terminated. Interest income to date has been used to pay off program G.O. Bond debt. The cumulative interest earned in the program on investments is \$8.1 million through the end of SFY08.
8. Pay reasonable administrative costs of the WPCSRF program not to exceed four (4) percent (or the maximum amount allowed under the federal act) of all federal grants awarded to the fund. In addition to using WPCSRF funds for administration, each loan has a 0.75% administrative surcharge included in the 3.75% interest rate. These fees are not considered part of the loan principal. The reserve generated from this loan surcharge will be used for WPCSRF administration costs not covered by the EPA grants after

capitalization grants cease and pay for administration of projects that use recycled funds. As of the beginning of FY09, there was approximately \$500,000 available for this purpose. Capitalization grants are approved by Congress every year and EPA is currently projecting WPCSRF funding through FFY11. However, if needed, these administrative funds could be transferred to the principal account and used to make loans. In SFY09, it is anticipated that approximately \$460,000 in administrative surcharge funds will be transferred to the principal account.

The special administrative fees collected through loan repayments can be broken down into two categories. If the fees are repaid from first-round funds during the grant period (i.e., from capitalization grants that are still open) the uses of these fee funds will be limited to either SRF program administration or transfers to the principal account, as indicated above. However, fees repaid from loans made from capitalization grants that have been closed or from recycled funds may be used for other purposes as long as those uses are consistent with the federal Clean Water Act, this Intended Use Plan, the Operating Agreement between DEQ and EPA, or the Trust Indenture and DEQ and DNRC rules and laws governing the WPCSRF program.

For the purpose of segregating the two types of funds, the following projects will be deemed to be funded with the FFY06 grant (no loan funds have yet to be drawn from the FFY07 grant, therefore, there are not expected to be repayments from loans made from that grant in SFY09):

- Three Forks Collection Project
- Ronan UV System Project
- East Helena Collection Project
- Laurel Collection Project
- Bigfork Headworks Project
- Upper/Lower River Rd II Collection Project
- Lewis and Clark Co. Woodlawn Project

The special administrative fee collected from these combined projects in SFY09 is expected to be approximately \$36,700. The total special administrative fees expected to be collected in SFY09 are approximately \$1.1 million. Therefore, approximately \$1,063,000 could be used for Clean Water Act-related purposes other than SRF administration. However, it is anticipated that about \$400,000 will be required for SRF administration, \$460,000 will be transferred to the principal account and \$200,000 will be used for Clean Water Act-related purposes as indicated below.

The WPCSRF program will be expanded in SFY09 to include the addition of another wastewater treatment operations specialist to assist communities and other public systems in optimizing treatment and bringing them into compliance with the Water Quality and Public Water Supply Acts. Additionally, some funds are expected to be set aside for advanced training for staff and operators to help promote optimization of wastewater treatment throughout Montana. These costs will be funded using special administration fee money generated by the current administrative fees charged for each loan. Special administration fees are also expected to be used for partial funding of a wetland specialist to provide outreach, technical assistance and education for conservation and protection of natural wetlands. The total annual cost of the operations specialist, training and the wetland specialist is expected to be approximately \$200,000.

A determination of which projects are selected from the PPL, the amount of assistance, and financing terms and conditions, will be made by the Montana Department of Environmental Quality (DEQ) and the Montana Department of Natural Resources and Conservation (DNRC).

Due to recent significant population growth in Montana and the expansion of water and sewer services to accommodate that growth, both the WPCSRF and Drinking Water SRF programs have modified the existing growth policy to clarify the eligibility of certain types of projects directly associated with growth. Specifically, with regard to wastewater systems, new wastewater collection lines that serve areas that are not at least 50% occupied are not eligible for WPCSRF funding.

At the Governor's discretion, the state may transfer up to 33 percent of its Drinking Water SRF capitalization grant to the WPCSRF or an equal amount from the WPCSRF to the Drinking Water SRF. Transfers could not occur until at least one year after receipt of the first DWSRF capitalization grant, which was June 30, 1999. This transfer authority was effective thru fiscal year 2001. One-year extensions of this transfer authority were granted through the Appropriation Bill for fiscal years 2002 - 2007. Another one-year extension was granted with the FY08 appropriation bill. In addition to transferring grant funds, States can also transfer state match, investment earnings, or principal and interest repayments between SRF programs.

Table 1 itemizes the amount of funds that have been transferred to and from the WPCSRF program. There will be a \$5 million transfer of capitalization grant funds from the DWSRF to the WPCSRF in SFY2009. The anticipated transfer is shown in bold in Table 1.

Table 1 - Amounts Available to Transfer between State Revolving Fund Programs

| Year | Transaction Description | Banked Transfer Ceiling | Transferred from CWSRF to DWSRF | Transferred from DWSRF to CWSRF | DWSRF Funds Available for Transfer | CWSRF Funds Available for Transfer |
|-------------|---|-------------------------|---------------------------------|---------------------------------|------------------------------------|------------------------------------|
| 1997 | DW Grant Award | \$4,892,646 | --- | --- | \$4,892,646 | \$4,892,646 |
| 1998 | DW Grant Award | 7,242,675 | --- | --- | 7,242,675 | 7,242,675 |
| 1999 | DW Grant Award | 9,705,729 | --- | --- | 9,705,729 | 9,705,729 |
| 2000 | DW Grant Award | 12,265,539 | --- | --- | 12,265,539 | 12,265,539 |
| 2000 | Transfer (2 nd Rnd \$) | 12,265,539 | 4,750,328 | -0- | 17,015,867 | 7,515,211 |
| 2001 | DW Grant Award | 14,835,942 | --- | --- | 19,586,270 | 10,085,614 |
| 2001 | Transfer (2 nd Rnd \$) | 14,835,942 | 4,032,158 | -0- | 23,618,428 | 6,053,456 |
| 2002 | DW Grant Award | 17,493,267 | --- | --- | 26,275,753 | 8,710,781 |
| 2004 | DW Grant Award | 20,134,608 | --- | --- | 28,917,094 | 11,352,122 |
| 2004 | Transfer (2 nd Rnd \$) | 20,134,608 | -0- | 2,559,810 | 26,357,284 | 13,911,932 |
| 2005 | Transfer (2 nd Rnd \$) | 20,134,608 | -0- | 2,570,403 | 23,786,881 | 16,482,335 |
| 2005 | Transfer (2 nd Rnd \$) | 20,134,608 | -0- | 1,000,000 | 22,786,881 | 17,482,335 |
| 2005 | DW Grant Awards | 25,608,821 | --- | --- | 28,261,094 | 22,956,548 |
| 2006 | Transfer (1 st Rnd \$) | | -0- | 5,000,000 | 23,261,094 | 27,956,548 |
| 2006 | DW Grant Award | 28,324,490 | - | - | 25,976,763 | 30,672,217 |
| 2007 | DW Grant Award | 31,040,060 | - | - | 28,692,333 | 33,387,787 |
| 2008 | Transfer (2 nd Rnd \$) | | 2,500,000 | | 31,192,333 | 30,887,787 |
| 2008 | DW Grant Award | 33,728,240 | | | 33,880,513 | 33,575,967 |
| 2009 | Transfer (1st Rnd \$) | | | 5,000,000 | 28,880,513 | 38,575,967 |

V. GOALS AND OBJECTIVES

Long-Term Goal and Objectives

The long-term goal of the WPCSRF is to maintain, restore and enhance the chemical, physical and biological integrity of the State's waters for the benefit of the overall environment and the protection of public health.

Objectives:

1. Provide affordable financial assistance for eligible applicants concurrent with the objective of maintaining a long-term, self-sustaining State revolving fund program; and
2. Fulfill the requirements of pertinent federal, state and local laws and regulations governing water pollution control activities, while providing the state and local project sponsors with maximum flexibility and decision-making authority regarding such activities.

Short-Term Goal and Objectives

The short-term goals of the WPCSRF are to continue to preserve and improve the quality of the State's waters (surface and groundwater), to meet the wastewater treatment needs of the state, and to eliminate any public health hazards related to the discharge of inadequately treated wastewater. As an estimated measure of the environmental benefits attained through funding of water pollution control projects, the WPCSRF program will continue to complete an environmental benefits spreadsheet for each project during SFY09.

Objectives:

1. Maintain and promote the WPCSRF program, which provides low interest financing (up to 100 percent loans) for water pollution control projects; provide approximately ten new loans in SFY09;
2. Ensure the technical integrity of WPCSRF projects through the review of planning, design plans and specifications, construction activities and development of a sound operation and maintenance program;
3. Ensure compliance with all pertinent federal, state and local water pollution control laws and regulations;
4. Obtain optimum turnover of the funds for the State in the shortest reasonable time; fund eligible NPS projects;
5. Simplify the administrative and regulatory requirements of the program, without sacrificing project quality, to make the financial assistance readily accessible; coordinate on a regular basis with DNRC and financial consultants to consider ways to improve the program and optimize use of resources; and
6. Apply for all available appropriated federal funds contingent upon federal legislation.

VI. INFORMATION ON THE ACTIVITIES TO BE SUPPORTED

The primary type of assistance to be provided by the WPCSRF is expected to be loans. The State plans on reserving an amount equal to four (4) percent of the federal capitalization grant for administrative expenses. On a more limited basis, the State may provide funds for refinancing existing debt, guarantee or buy insurance for local debt obligations, or leverage bond issues.

From the WPCSRF, these types of assistance will be provided to local communities, sanitary sewer districts, counties, eligible private persons, or other sub-governmental units recognized under Montana statutes for the construction of publicly-owned wastewater treatment facilities or non-point source water pollution control projects.

VII. ASSURANCES AND SPECIFIC PROPOSALS

The State will assure compliance with the following sections of the law in the State/EPA Operating Agreement, of which this document is a part. In addition, the State has developed specific proposals for implementation of those assurances in the rules promulgated by the Montana Department of Environmental Quality (DEQ) and the Montana Board of Natural Resources (DNRC).

- Section 602(a) - Environmental Reviews - The State of Montana certifies that it will conduct environmental reviews of each project receiving assistance from the WPCSRF. Montana will follow EPA approved, NEPA-like procedures in conjunction with such environmental reviews.
- Section 602(b)(3) - Binding Commitments - The State of Montana certifies that it will enter into binding commitments equal to at least 120 percent of each quarterly grant payment within one year after receipt.
- Section 602(b) (4) - Timely Expenditures - The State of Montana certifies that it will expend all funds in the WPCSRF in an expeditious and timely manner.
- Section 602(b)(6) - Compliance with Title II Requirements - The State of Montana certifies that the applicable Title II requirements listed under this section will be satisfied in the same manner as projects constructed under Title II of the Clean Water Act.

VIII. CRITERIA AND METHOD FOR DISTRIBUTION OF FUNDS

WPCSRF funds will be distributed using the methods and criteria for eligible activities described in the WPCSRF program rules that have been adopted by the DEQ and DNRC. As previously described, WPCSRF funds will be allocated on a first-come, first-served basis until demand for funds exceeds available supply. At that time, funds will be distributed in accordance with the procedure developed in the DEQ Administrative Rules. This procedure considers ranking on the Priority List, readiness of the project to proceed, and impacts of the project to the WPCSRF. Loan terms and interest rates will be determined in accordance with the Administrative Rules adopted by the DNRC. The WPCSRF program may choose to limit the maximum amount of any loan if the demand for loan funds exceeds the availability of funds. Interest rates must be established to generate sufficient revenues to allow the State to make the principal and interest payments on general obligation bonds sold to generate the State match. Ability to repay the loan will also be considered when establishing loan terms. The types of financial assistance provided by the WPCSRF will initially be based on the applicant's request. It is anticipated that the majority of assistance will be provided in the form of direct loans.

IX. SUBSIDIES TO DISADVANTAGED COMMUNITIES

Communities seeking a WPCSRF loan that meet the disadvantaged criterion listed below may receive an additional subsidy on their WPCSRF loans, beyond the standard below-market rate financing. This includes communities that will meet the disadvantaged criterion based on projected rates as a result of the project.

A community is considered economically disadvantaged when its combined monthly water and wastewater system rates are greater than or equal to 2.3% of the community's Median Household Income (MHI). If the community has only a wastewater system, the percentage is 0.9% of the community's MHI. These percentages are consistent with affordability requirements of other state funding agencies in Montana. The water and sewer rates used for this calculation include new and existing debt service and required coverage, new and existing operation and maintenance charges, and depreciation and replacement of equipment.

To assist these economically disadvantaged communities, the WPCSRF loan program will provide to qualifying communities a 1.0% interest rate reduction. The total amount of reduced interest rate loans that the WPCSRF will issue under any single capitalization grant will be limited to 20% of that capitalization grant beginning in FFY 1998. This measure is taken to ensure that the corpus of the WPCSRF fund will be maintained and the program will be able to operate in perpetuity,

while still providing some additional assistance to economically disadvantaged communities. The maximum loan amount is \$500,000.

In an effort to provide additional assistance to disadvantaged communities, the WPCSRF program will offer extended finance terms to qualifying communities. The extended loan terms allow qualifying communities up to 30 years to repay the loan. Loan terms cannot extend past the useful life of the improvements to be funded, therefore, it is expected that eligible projects will be limited to new collection system piping and appurtenances. It is anticipated that, in SFY2009, the town of Sheridan will receive extended term financing on its collections system improvements. The WPCSRF program reserves the right to limit extended term financing at any time in order to ensure the perpetuity of the fund. An evaluation of the funding baseline for the program will be evaluated annually to ensure the historic annual baseline established to date (\$12,753,710) per EPA is continually met.

X. PUBLIC COMMENT, AMENDING IUP, STATE FINANCIAL COMMITMENT

Public Review and Comment – One public hearing will be held on Wednesday, June 11, 2009 in Helena to discuss the SFY 2009 PPL and to allow public comment on the draft IUP. Public notice concerning the PPL and IUP will be available to the public.

Amending the IUP - A simple addition to the PPL and IUP will be allowed after notification has been provided to affected projects (if any) already on the list. If a project scheduled to receive loan assistance within the year is displaced by the addition of a new project, a formal public hearing will be held to allow comment on the modifications to the PPL and IUP.

State Financial Commitment - The 1989 Montana Legislature passed House Bill 601, entitled the Wastewater Treatment Revolving Fund Act, which was subsequently signed into law by the Governor. The Act created the new program, established administrative procedures and allowed for a sale of state general obligation bonds in an amount not to exceed ten million dollars. The 1995 Montana Legislature passed House Bill 493, which was subsequently signed into law by the Governor. Among the State Financial Commitments - The 1989 Montana Legislature passed House Bill 601 titled the Wastewater Treatment Revolving Fund Act, which was subsequently signed into law by the Governor. The Act created the new program, established administrative procedures and allowed for a sale of state general obligation bonds in an amount not to exceed ten million dollars. The 1995 Montana Legislature passed House Bill 493, which was subsequently signed into law by the Governor. Among other things, the Act allowed for the sale of state general obligation bonds in an amount not to exceed an additional five million dollars. The 1999 Montana Legislature passed House Bill 110, which gives the WPCSRF an additional fifteen million dollars in general obligation-bonding authority. The 2003 Montana legislature passed House bill 46, which gives the WPCSRF an additional ten million dollars in general obligation-bonding authority. The combined bonding authority provided by these four bills furnishes the WPCSRF with forty million dollars in state general obligation bond authority, which provides enough funds to match all federal appropriations (1989-2006) that have been awarded to the program to date, as well as excess bond authority for potential future federal appropriations. In 2005 with HB142, the Legislative session allowed the Bond authority to be up to \$40 million in outstanding bonds. The State held its first bond sale in 1991. In June of 1996 Montana held its second and third bond sales to provide State match funds for projects scheduled to proceed in FFY 1997. In March of 1998 a fourth bond sale was held to provide State match for projects scheduled to proceed in FFY 1998 and 1999. In March of 2000 a fifth bond sale was held to provide State match for projects scheduled to proceed in FFY 2000 and 2001. In June 2001 a sixth bond sale was held to provide match for projects scheduled to proceed in 2002 and 2003. In June of 2003 a sixth bond sale was held to provide match for projects projected to proceed in 2003. In April of 2004 a seventh bond sale was held to provide match for projects projected to proceed in 2004. An eighth bond sale was held in April of 2005 to provide state match for proposed projects to proceed in 2005. A ninth bond sale will be held in December, 2009, to provide match for projects projected for 2009

Attachment 1

MONTANA

WPCSRF Project Priority List

State Fiscal Year 2009

| <i>Rank</i> | <i>Project</i> | <i>EPAID</i> | <i>Ranking Total</i> | <i>Project Description</i> | <i>Amount</i> | <i>Commit Date</i> |
|-------------|---|--------------|--------------------------|--------------------------------|-----------------|------------------------|
| 1 | Bigfork WWTP (Phase I) | C301202 | 385 | II | \$2,025,000.00 | May-07 |
| 2 | Kalispell WWTP07 | C302211 | 365 | II, IVA, IVB | \$14,470,000.00 | Dec-06 |
| 3 | Lewis & Clark Co Fairgrounds/Woodlawn | C302192 | 326 | IVA, IVB | \$50,000.00 | Aug-05 |
| 4 | Billings-Briarwood Sanitary Sewer Main Ext | C301206 | 290 | IVA | \$4,800,000.00 | Jan-06 |
| 5 | Cascade Co. - Upper and Lower River Road (Ph II) | C302171 | 290 | I, IVA | \$115,000.00 | Jan-08 |
| 6 | Butte WWTP - BNR | C301193 | 285 | II | \$10,000,000.00 | Dec-10 |
| 7 | Dodson, Town of | C304155 | 284 | I, IVB | \$240,000.00 | Feb-05 |
| 8 | Bozeman WWTP | C303105 | 281 | I | \$20,000,000.00 | Jul-08 |
| 9 | Manhattan WWTP | C301087 | 276 | I, IIIB | \$4,357,000.00 | May-07 |
| 10 | St. Ignatius WWTP | C301183 | 274 | I, IIIB | \$500,000.00 | Jul-09 |
| 11 | Whitehall, Town of | C303190 | 270 | I, IIIA | \$1,800,000.00 | Dec-10 |
| 12 | Jordan, Town of | C304143 | 266 | I, IIIB | \$492,000.00 | Dec-10 |
| 13 | Big Sky WWTP Improvement Phase II | C301184 | 262 | II, IVA | \$13,000,000.00 | Sep-02 |
| 14 | Big Sandy WWTP | C303194 | 261 | I, IIA | \$832,338.00 | Mar-09 |
| 15 | Livingston (WWTP) | C303181 | 258 | I, II | \$155,000.00 | Dec-10 |
| 16 | Ennis WWTP/SCS | C301185 | 256 | I, IVA | \$1,386,000.00 | Nov-04 |
| 17 | Superior, Town of | C303184 | 256 | I, IVA | \$800,000.00 | May-04 |
| 18 | Hamilton WWTP | C301214 | 251 | I, II, IIIA | \$1,742,000.00 | Apr-08 |
| 19 | Bainville WWTP Upgrades | C301221 | 248 | I, IIIA | \$153,608.00 | Jul-08 |
| 20 | Bigfork-Mayport Harbor Sewer Extension | C302205 | 242 | IVA | \$130,000.00 | Jan-06 |
| 21 | Anaconda - West Valley | C302193 | 240 | IVA | \$500,000.00 | Dec-10 |
| 22 | Missoula - Broadway & Birch | C302196 | 240 | IVA, IVB | \$1,400,000.00 | Aug-05 |
| 23 | Missoula, Lincolnwood II | C302199 | 240 | IVA | \$860,000.00 | Apr-06 |
| 24 | Custer Water and Sewer District | C303188 | 238 | I, IIIA | \$120,000.00 | Mar-09 |
| 25 | Malta | C301197 | 234 | I | \$3,500,000.00 | Jul-08 |
| 26 | Three Forks I&I Reduction | C304203 | 233 | IIIA | \$1,300,000.00 | Dec-08 |
| 27 | DNRC NPS Projects | C307175 | 230 | VIIA, VIIIE | \$2,000,000.00 | Dec-08 |
| 28 | Rudyard Water and Sewer District | C304153 | 228 | IIIB | \$83,000.00 | Jul-10 |
| 29 | Conrad WWTP | C301189 | 223 | I | \$2,500,000.00 | Aug-08 |
| 30 | Ekalaka Collection | C302206 | 222 | IIIB | \$200,000.00 | Jul-09 |
| 31 | Fort Benton Storm Sewer | C305173 | 216 | VIID, V | \$778,000.00 | Jun-07 |
| 32 | Lolo WWTP (Phase II) Missoula County | C301215 | 207 | I, II | \$1,500,000.00 | Jul-10 |
| 33 | Glasgow WWTF Upgrade | C304147 | 192 | I, IIIB | \$1,063,000.00 | Aug-05 |
| 34 | Missoula Co. - Wye | C302189 | 190 | IVA, IVB | \$10,390,000.00 | Apr-08 |
| 35 | Seeley Lake Sewer | C303187 | 190 | I, IVA, IVB | \$1,800,000.00 | Jul-10 |
| 36 | Hebgen Basin/West Yellowstone Refuse District | C307173 | 187 | VIIIE | \$4,136,000.00 | Dec-01 |
| 37 | Saltese Water & Sewer District | C303189 | 186 | I, IVA, IVB | \$560,000.00 | Aug-10 |
| 38 | Columbia Falls Treatment | C301200 | 185 | II | \$1,500,000.00 | Dec-10 |
| 39 | Agricultural BMP's | C307174 | 180 | VIIA, VIIIE | \$1,000,000.00 | Dec-10 |
| 40 | Dutton-WW System | C301224 | 180 | I | \$500,000.00 | May-09 |

| <i>Rank</i> | <i>Project</i> | <i>EPAID</i> | <i>Ranking Total</i> | <i>Project Description</i> | <i>Amount</i> | <i>Commit Date</i> |
|-------------|--|--------------|--------------------------|--------------------------------|-----------------|------------------------|
| 41 | Plains | C303153 | 178 | I, IVA | \$100,000.00 | Dec-10 |
| 42 | Havre WWTP | C301053 | 176 | I, II | \$2,000,000.00 | Dec-10 |
| 43 | Greater Woods Bay W&SD | C303191 | 174 | II, IVA | \$1,000,000.00 | Dec-10 |
| 44 | Southside Townhomes Sewer Project | C302212 | 174 | IVA, IVB | \$500,000.00 | Sep-10 |
| 45 | Bigfork WWTP (Phase II) | C303196 | 170 | II | \$5,900,000.00 | Jul-09 |
| 46 | Lockwood Sewer System (Phase I) | C303110 | 170 | I, IVA | \$10,000,000.00 | Sep-10 |
| 47 | Drummond | C304154 | 165 | IIIA | \$240,000.00 | Aug-09 |
| 48 | Whitefish WWTP (II) | C301217 | 161 | II | \$848,000.00 | Oct-07 |
| 49 | Lewis & Clark County WWTP/SCS (Helena Valley) | C302030 | 160 | I, IVA, IVB | \$500,000.00 | Dec-10 |
| 50 | North Baker-Fallon Co. W&S District | C302024 | 160 | IVA, IVB | \$910,000.00 | Aug-10 |
| 51 | Circle, Town of | C301196 | 157 | I, IIIB | \$1,200,000.00 | May-09 |
| 52 | Missoula - Rattlesnake Collectors | C302213 | 150 | IVA | \$5,000,000.00 | Jul-09 |
| 53 | Ronan WW Improvements | C302218 | 146 | I, II, IIIa | \$1,000,000.00 | Dec-10 |
| 54 | Twin Bridges, Town of | C301204 | 144 | IIIB | \$800,000.00 | Dec-10 |
| 55 | Meadowlark Water and Sewer District | C302178 | 142 | IVA, IVB | \$250,000.00 | Dec-10 |
| 56 | Cabinet Height Sewer - Libby | C302190 | 140 | IVA, IVB | \$2,500,000.00 | Jul-10 |
| 57 | Conservation Easement - General | C307178 | 136 | VIIA | \$2,000,000.00 | Aug-10 |
| 58 | Philipsburg, Town of | C302207 | 136 | I,II, III, IVA | \$3,000,000.00 | Dec-10 |
| 59 | Columbia Falls Collection | C302188 | 132 | IVA | \$100,000.00 | Jul-09 |
| 60 | Whitefish Interceptor and I/I | C302047 | 132 | IIIA, IVB | \$2,000,000.00 | Dec-10 |
| 61 | Dayton Sewer District | C303180 | 130 | I, IVA, IVB | \$500,000.00 | Dec-09 |
| 62 | Gardiner-Park Co. W&W Dist WWSI Phase I | C301226 | 128 | I, IIIB | \$250,000.00 | Jan-10 |
| 63 | Three Forks WWTP | C302217 | 128 | I, II | \$1,000,000.00 | Dec-10 |
| 64 | Sun Prairie Village Co Water and Sewer District | C301195 | 126 | I, IIIA | \$84,000.00 | Aug-10 |
| 65 | Laurel WWTP | C303195 | 124 | I, IIIB | \$3,550,000.00 | Mar-09 |
| 66 | Helena NPS, City of | C307182 | 122 | VIIJ | \$1,000,000.00 | Dec-10 |
| 67 | Shelby WW System Improvements | C301225 | 122 | I, IIIA | \$2,473,000.00 | Jul-10 |
| 68 | Absarokee | C301198 | 120 | I | \$1,000,000.00 | Dec-10 |
| 69 | Bridger Pines | C303183 | 120 | I | \$2,000,000.00 | Aug-09 |
| 70 | Flathead Co.-Bigfork Storm Water | C307189 | 120 | VI | \$776,000.00 | Jul-09 |
| 71 | Deer Lodge Collection and Treatment | C301209 | 118 | I, II, IVA | \$6,300,000.00 | Jul-11 |
| 72 | Glendive NPS Project | C307183 | 118 | VIIIE | \$500,000.00 | Dec-10 |
| 73 | Joliet, Town of | C304151 | 118 | I, IIIB | \$500,000.00 | Jul-11 |
| 74 | Lodge Grass | C301074 | 118 | I | \$300,000.00 | Dec-11 |
| 75 | Wibaux, Town of | C301201 | 118 | I | \$500,000.00 | Jul-09 |
| 76 | Boulder WW Improvements | C304204 | 116 | I, IIA, IIIB | \$2,000,000.00 | Aug-10 |
| 77 | Stevensville WWTF Upgrade | C301106 | 116 | IIA, IVA | \$2,600,000.00 | Oct-10 |
| 78 | Treasure State Acres Sewer District | C301158 | 114 | I | \$650,000.00 | Aug-10 |
| 79 | Winifred WWTP | C303193 | 114 | I, IIIA | \$150,000.00 | Jan-09 |
| 80 | Livingston Collection | C306121 | 113 | IIIB | \$1,911,000.00 | May-05 |
| 81 | Fairfield | C301127 | 112 | I, IIIB | \$532,000.00 | Jun-10 |
| 82 | Sheridan | C301160 | 112 | I, IIIA | \$500,000.00 | Dec-09 |
| 83 | Libby, City of | C303151 | 110 | I, IVA | \$3,100,000.00 | Aug-10 |
| 84 | Missoula - West Mullan Collectors | C302077 | 110 | IVA | \$400,000.00 | Aug-10 |
| 85 | Hebgen Lake Estates | C301220 | 106 | I | \$1,283,000.00 | Jun-11 |
| 86 | Choteau WWTP Upgrade | C303097 | 104 | I | \$1,500,000.00 | Dec-10 |
| 87 | Polson Stormwater System Improvements | C306119 | 102 | VIID | \$500,000.00 | Dec-10 |
| 88 | Fort Benton Collection | C304156 | 100 | VI | \$200,000.00 | Aug-09 |

| Rank | Project | EPAID | Ranking Total | Project Description | Amount | Commit Date |
|-------------|---|--------------|--------------------------|--------------------------------|-----------------|------------------------|
| 89 | Hardin, City of (Phase II) | C303186 | 100 | I, IIIB, IVA | \$3,400,000.00 | Jan-10 |
| 90 | Missoula - NPS - Open Space, City of | C307180 | 100 | VIID | \$1,000,000.00 | Jul-10 |
| 91 | Culbertson, Town of | C301137 | 98 | I, IVA | \$500,000.00 | Dec-10 |
| 92 | Virginia City, Town of, (Phase II - Collection) | C302216 | 98 | III, A | \$138,000.00 | Jun-09 |
| 93 | Helena -Harris Street Stormdrain | C307187 | 96 | VIID | \$1,394,500.00 | Dec-10 |
| 94 | Billings Water & Sewer Rehab 2009 | C304159 | 95 | IVA, IVB | \$2,000,000.00 | Aug-08 |
| 95 | Harlowton WWTP Improvements (II) | C301213 | 91 | I | \$100,000.00 | Jul-10 |
| 96 | Colstrip, City of | C301216 | 88 | I, IIIB | \$100,000.00 | Dec-09 |
| 97 | Black Eagle Water District - Collection | C302185 | 87 | IIIB | \$200,000.00 | Dec-10 |
| 98 | Ennis Collection | C304157 | 86 | IIIA | \$200,000.00 | Aug-11 |
| 99 | Billings Water and Sewer Rehab 2008 | C302214 | 85 | IVA, IVB | \$3,500,000.00 | Aug-08 |
| 100 | Gildford Co W&S Dist | C301227 | 84 | I, V | \$500,000.00 | Jan-09 |
| 101 | Laurel Storm Sewer | C305175 | 84 | VIID | \$1,300,000.00 | Jul-08 |
| 102 | Lewis & Clark County NPS Project #1 | C307176 | 82 | VIIE | \$500,000.00 | Dec-10 |
| 103 | Polson Collection | C302200 | 79 | IIIA, IVA | \$1,500,000.00 | Sep-10 |
| 104 | Crow Agency Tribal Owner Utility | C304152 | 78 | IIIB, I | \$1,500,000.00 | Sep-08 |
| 105 | Fort Smith W&S Dist Upgrades | C301218 | 78 | I | \$250,000.00 | Jan-10 |
| 106 | Ramsay Water & Sewer District | C301207 | 78 | I | \$200,000.00 | Aug-10 |
| 107 | Yellowtail W&SD WWTF Upgrades | C301219 | 78 | I | \$2,500,000.00 | Jul-10 |
| 108 | Ennis Storm Sewer | C305174 | 76 | VIID | \$750,000.00 | Aug-10 |
| 109 | Ravalli County | C302191 | 76 | IVA, IVB | \$350,000.00 | Aug-09 |
| 110 | Westshore-Lake Co Water and Sewer District | C302075 | 70 | IVA | \$1,000,000.00 | Dec-10 |
| 111 | Baker, City of | C302186 | 69 | IVA | \$800,000.00 | Dec-10 |
| 112 | Evergreen Co Water and Sewer District | C303185 | 67 | I, IVA, IVB | \$10,000,000.00 | Dec-10 |
| 113 | Forsyth, City of | C304142 | 67 | IIIB | \$800,000.00 | Jul-10 |
| 114 | Choteau I/I Reduction | C304160 | 59 | IIIA | \$500,000.00 | Dec-10 |
| 115 | Martinsdale | C303046 | 55 | I, IVA, IVB | \$900,000.00 | Dec-10 |
| 116 | Bainville I/I Correction | C304158 | 10 | IIIA | \$296,000.00 | Jul-08 |
| 117 | Havre Hwy2 - W&S Improvements | C301223 | 10 | IIIB, VI, IIIA | \$3,211,000.00 | Apr-07 |
| 118 | Lewis & Clark County NPS Project #2 | C307181 | 10 | VIIJ | \$800,000.00 | Oct-10 |

PROJECT DESCRIPTION CATEGORIES

| | | | |
|------|--|-------|-------------------------------|
| I | Secondary Treatment | VIID | NPS Urban Runoff |
| II | Advanced Treatment | VIIE | NPS Ground Water |
| IIIA | Infiltration/Inflow Correction | VIIF | NPS Marinas |
| IIIB | Major Sewer System Rehabilitation | VIIG | NPS Resource Extension |
| IVA | New Collectors & Appurtenances | VIIH | NPS Brownfields |
| IVB | New Interceptors & Appurtenances | VII-I | NPS Storage Tanks |
| V | Correction of Combined Sewer Overflows | VIIJ | NPS Sanitary Landfills |
| VI | Stormwater Control | VIIK | NPS Hydromodification |
| VIIA | NPS Agric. (Cropland) | VIII | Confined Animals-Point Source |
| VIIB | NPS Agric. (Animals) | IX | Mining-Point Source |
| VIIC | NPS Silviculture | | |



**ATTACHMENT II
PROGRAM FUNDING STATUS
MONTANA WPCSRF PROGRAM**

FISCAL YEARS 1990 TO 2008

| | | |
|--|----------------------|-----------------------------|
| Capitalization Grants | \$123,610,065 | |
| State Match | \$ 24,722,013 | |
| Overmatch from RIT, C.O.I. fees, investments, LLS. | \$ 25,490,155 | |
| Program Administration Allowance | <u>(\$4,944,026)</u> | |
| Available to Loan | \$168,878,207 | |
| Principal Repayments and Interest as of May 20, 2008 | \$ 76,932,511 | |
| Transfers to DWSRF (principal repayments) | (\$ 5,152,273) | |
| Transfers from DWSRF (direct capitalization grants) | <u>\$ 5,000,000</u> | |
| Funds Available to Loan Through FY08 | | <u>\$245,658,445</u> |

FISCAL YEAR 2008

| | | |
|---|---------------------|----------------------------|
| Anticipated Capitalization Grants | (FY08)\$ 3,274,300 | |
| Anticipated State Match | | |
| - Normal G.O. Bond match | \$ 654,860 | |
| - Additional G.O. Bond Match | \$ 00 | |
| - Estimated Loan Loss Surcharge (LLS) | \$ 1,000,000 | |
| Program Administration Allowance | (\$ 130,972) | |
| Anticipated Principal Repayments and Interest (FY08) | \$10,000,000 | |
| Anticipated Overmatch (RIT or other) | \$ 10,000 | |
| Anticipated transfers from special administration Acct. | <u>\$ 1,000,000</u> | |
| Available to Loan FY08 | | <u>\$15,808,188</u> |

| | |
|---|-----------------|
| Total Funds Dedicated to Loan | \$261,146,633 |
| Loans committed as of May 20, 2008 | (\$253,514,851) |
| Funds available for Loans in SFY09 | \$ 7,951,782 |
| Amount of Estimated Loans Identified on Attachment 1 of Fiscal year 2009 Intended Use Plan | \$133,959,946* |

*Includes current active loans and those projects identified as potentially committing within the next two state fiscal years.